Declassified and Approved For Release 2013/05/21 : CIA-RDP99-01448R000301260074-6

WASHINGTON TIMES
3 February 1987

Ailing CIA chief resigns; is offered counselor's job

By Jeremiah O'Leary
THE WASHINGTON TIMES

President Reagan yesterday nominated Acting CIA Director Robert M. Gates to succeed the agency's ailing chief, William J. Casey, who has resigned.

White House spokesman Marlin Fitzwater said it was Mr. Casey's decision to resign. Mr. Fitzwater said White House Chief of Staff Donald Regan and Attorney General Edwin Meese III visited Mr. Casey last Thursday at Georgetown University Hospital.

"He is alert and he can talk. He initiated the conversation about his resignation voluntarily," Mr. Fitzwater said. He said Mr. Regan and Mr. Meese also told the 73-year-old CIA director that Mr. Reagan wanted him to become presidential counselor whenever he felt he had recovered sufficiently.

Mr. Fitzwater, the new principal deputy press secretary, said Mr. Casey was offered the counselor post at the hospital where he underwent surgery Dec. 18 for removal of a malignant brain tumor.

On Capitol Hill, Sen. David Boren, chairman of the Senate Intelligence Committee, praised Mr. Casey's accomplishments as CIA director.

"During his tenure at the agency, he has made a significant contribution to improving the morale of those who worked at the agency and to increased funding for vital national security activities," said Mr. Boren, Oklahoma Democrat.

Sen. Patrick Leahy, Vermont Democrat and an intelligence committee member, also credited Mr. Casey with improving the morale of the CIA, but criticized the CIA director's relations with Congress.

"The sense of trust between the CIA and the intelligence committee was breaking down very seriously," Mr. Leahy said.

Ray Cline, a former CIA deputy intelligence director, said U.S. intelligence capabilities grew dramatically under Mr. Casey.

"I think the Casey era marked a major improvement in the capability of CIA, lifting it up from a low point in the Carter administration," Mr. Cline said.

Mr. Cline said he hopes Mr. Casey's departure will not affect the Reagan administration's covert support for anti-communist resistance movements under the so-called Reagan doctrine.

Leo Cherne, vice chairman of the President's Foreign Intelligence Advisory Board, said Mr. Casey would be viewed by historians as one of the finest directors in the history of the CIA, now entering its 40th year.

Mr. Cherne, who is also executive director of the New York-based Research Institute of America, also said he expects Mr. Casey's policies to continue.

"There is continuity," he said. "Gates is someone Casey had enormous confidence in."

Mr. Reagan and Mr. Casey remain close friends. Mr. Casey served as manager of the president's successful 1980 campaign.

Mr. Fitzwater said the president has not talked with Mr. Casey since his brain operation but cautioned reporters not to speculate that this was due to anything other than scheduling, timing and events.

The CIA director volunteered to resign in a letter to Mr. Reagan, according to Mr. Fitzwater. "Mr. Casey saw that it would be some time before he would able to return to duty and undertake full activity at the CIA," the spokesman said. "He realized the need for on-the-job leadership to the intelligence community."

Mr. Fitzwater said Mr. Casey continues to improve steadily and has visited fellow patients.

He said Mr. Reagan accepted Mr. Casey's resignation with reluctance and deep regret.

Asked if the job Mr. Reagan offered Mr. Casey will be the same as the post once occupied by Mr. Meese, Mr. Fitzwater said he did not have a definitive description of the duties.

"The president wanted to retain Mr. Casey's counsel," Mr. Fitzwater said. "Everyone was uncertain of his medical status but the president wanted to be certain Mr. Casey was offered the job."

He said Mr. Casey's doctors indicate they expect a full recovery. "I don't know what that means," Mr. Fitzwater said. "If and when that time comes, the job is there."

Mr. Gates, named to replace Mr. Casey, is a career CIA analyst who specializes in Soviet affairs. He became acting director last month when Mr. Casey underwent surgery.

The 43-year-old Mr. Gates is known in the intelligence community as a specialist in intelligence analysis with little experience in clandestine operations.

Senate Minority Leader Robert Dole praised Mr. Gates as a "professional with the credentials and experience to do the job."

"It won't be easy replacing Bill Casey, nor is this the easiest of times for anyone to be stepping into the top slot at the CIA, but I am confident Robert Gates is up to the challenge," said Mr. Dole, Kansas Republican.

Mr. Casey, a veteran of the clandestine Office of Strategic Services in Europe during World War II, is among the handful of original Reagan Cabinet nominees from the 1981 administration transition team.

A native of Queens, N.Y., Mr. Casey is a millionaire who made his fortune on Wall Street after World War II. He was in the midst of a trying series of appearances before congressional committees investigating the Iranian affair when he was stricken ill at his desk on Dec. He took over direction of the CIA in 1981 following a period of considerable disillusionment with the agency from both within and without.

Mr. Casey held three high-ranking positions in the Nixon administration, including director of the Securities and Exchange Commission from 1971 to 1973. He also was a member of the advisory council of the Arms Control and Disarmament Agency and was an undersecretary of state for economic affairs.

During Mr. Casey's tenure as CIA director, controversy arose over his personal finances as well as covert CIA activities, including the mining of Nicaragua's harbors and preparation of a manual for Nicaraguan rebels counseling them in the "selective use of violence" to "neutralize" civilian officials.

Mr. Casey, a plain-spoken New York lawyer, responded bluntly to congressional and public criticism of the CIA.

In November 1985, for example, he charged that congressional oversight had caused "repeated compromise of sensitive intelligence sources and methods."

At his Senate confirmation hearing in January 1981, Mr. Casey said that one of his goals as CIA director would be to revive sagging agency morale and to "minimize" restrictions placed on CIA activities in previous years.

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Those restraints, imposed by Congress as well as Presidents Gerald Ford and Jimmy Carter, stemmed from concern in the mid-1970s over CIA activities ranging from surveillance of domestic political groups to alleged involvement in assassination plots against foreign leaders.

Mr. Casey told the Senate during his confirmation hearing that "rigid accountability ... can impair performance," indicating he hoped Congress would relax somewhat its oversight of CIA operations.

• Bill Gertz and Jennifer Spevacek contributed to this report.

Robert M. Gates

Ex-CIA Director William Casey

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